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FISCAL IMPACT STATEMENT

LS 7000

BILL NUMBER: HB 1204

NOTE PREPARED: Feb 15, 2008

BILL AMENDED: Feb 14, 2008

SUBJECT: Public Safety.

FIRST AUTHOR: Rep. Crooks

FIRST SPONSOR: Sen. Kruse

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill establishes the Emergency Alert System Advisory Committee to: (1) develop, update, and monitor the effectiveness of the state emergency alert system plan; (2) make recommendations concerning acquisition of appropriate technology and equipment to make the emergency notification system effective on a timely basis in all portions of Indiana; and (3) through the State Police Department, purchase appropriate technology and equipment to equip local primary relaying stations with monitoring equipment.

The bill also requires the State Board of Accounts to audit, not later than November 1, 2008, the expenditures of wireline enhanced emergency telephone system fees made during the 2005, 2006, and 2007 calendar years by each unit that imposed such a fee during those calendar years. This bill, beginning with respect to the 2008 calendar year, requires the State Board of Accounts to annually audit the expenditures of wireline enhanced emergency telephone system fees made during the immediately preceding calendar year by each unit that imposes such a fee.

The bill also provides that after December 31, 2011, a county may contain only one public safety answering point (PSAP), plus any back up system needed to assist the PSAP during: (1) an emergency; or (2) any other time; in which the PSAP is unable to assume its normal operations. This bill provides that a county may have more than one PSAP if any additional PSAP is operated by a state educational institution. The bill also requires each PSAP operator in a county containing more than one PSAP to enter, not later than January 1, 2012, into an interlocal agreement with every other PSAP operator in the county to ensure that the county does not contain more than one PSAP after December 31, 2011.

The bill requires the Regulatory Flexibility Committee to study the appropriate mechanisms for funding both

wireline and wireless enhanced emergency telephone systems in Indiana. The bill also requires the Committee to submit a report on its recommendations to the Legislative Council not later than December 1, 2008.

Effective Date: (Amended) Upon passage; July 1, 2008.

Explanation of State Expenditures: (Revised) This bill will increase the expenditures of the State Board of Accounts (SBA.). The amount of the increase is indeterminable, but will be at least partially offset by the payments for the SBA examiner's expenses by the municipalities examined as required under IC 5-11-4-3. The bill requires the SBA to audit the expenditures of emergency telephone system fees made during calendar years 2005 through 2007. The SBA is then required to report to the Regulatory Flexibility Committee on the results of this audit not later than November 1, 2008. The bill also requires the SBA to conduct annual audits of these expenditures beginning with calendar year 2008.

The bill also establishes the Emergency Alert System Advisory Committee beginning July 1, 2008. The bill requires the Committee's expenses to be paid from appropriations made by the General Assembly. Therefore, there will only be an increase in state expenditures to the extent that the General Assembly chooses to appropriate money to this Committee in the next biennial budget bill.

The Committee consists of 10 members, 3 of whom are state employees. Each member who is not a state employee is not entitled to per diem. The member is, however, entitled to reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties. Each member who is a state employee is entitled to reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties. Expenses related to the committee will depend on the number and nature of committee meetings.

The Committee must (1) develop, update, and monitor the effectiveness of the state emergency alert system plan; (2) make recommendations concerning the acquisition of appropriate technology and equipment to make the emergency notification system effective; purchase, through the SPD, appropriate technology and equipment to equip local primary relaying stations with monitoring equipment. The Committee must also make applications for private, local, state, or federal grants to be used to enhance or improve the emergency alert system. The SPD must provide administrative and staff support for the committee. Money received by the committee as a grant or a gift is appropriated for the purposes of the grant or the gift.

This bill assigns the topic of studying the appropriate mechanisms for funding both wireline and wireless enhanced emergency telephone systems in Indiana to the Regulatory Flexibility (Reg Flex) Committee. Legislative Council resolutions in the past have established budgets for interim study committees in the amount of \$16,500 per interim for committees with more than 16 members. It is assumed that the Committee will study this additional topic within their current scope of work.

Background: The Reg Flex Committee is made up of a standing committee of the Senate and the House as chosen by the President Pro Tempore of the Senate and the Speaker of the House. The standing committees chosen in the past have been the Senate Committee on Utilities & Regulatory Affairs and the House Committee on Commerce, Energy, and Utilities. There were 23 members on the Reg Flex Committee during the 2007 interim. The Committee is to be staffed by the Legislative Services Agency. The funds necessary for the Reg Flex Committee to operate are paid from state General Fund appropriations to the Legislative Council and Legislative Services Agency.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The bill allows the Emergency Alert System Advisory Committee to purchase, through the SPD, technology and equipment to equip local primary relaying stations with monitoring equipment. This provision could reduce local expenditures to the extent that the local unit would not have to purchase the equipment or technology.

The bill also requires that after December 31, 2011, a county may contain only one public safety answering point (PSAP), plus any backup system needed to assist that PSAP. The bill does allow other PSAPs in a county so long as any additional PSAP is operated by a state educational institution. The bill requires locals to enter into interlocal agreements to consolidate PSAPs.

It is estimated that there will be an increase in expenditures to organize the consolidation of these PSAPs. After the initial costs to organize the consolidation, there could be offsetting decreases in local expenditures to the extent that PSAP consolidation results in a lower overall cost for providing public safety communications within a county. The overall impact on local expenditures is indeterminable and will depend upon the decisions of local units in consolidating and reorganizing multiple PSAPs.

This bill will also cause an increase in local expenditures by requiring the SBA to audit the wireline fee collections. The increase is due to the requirement under IC 5-11-4-3 which provides that the SBA examination expenses shall be paid by the municipality being examined.

Explanation of Local Revenues:

State Agencies Affected: SPD; Department of Homeland Security; State Department of Health.

Local Agencies Affected: Local units involved in emergency preparedness.

Information Sources:

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